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CENTRAL INTELLIGENCE AGENCY
SOURCE METHOD EXEMPTION 3B2B
NAZI WAR CRIMES DISCLOSURE ACT
DATE 2007

CARAVEL

24 Mar 64

1730 2000

FOB/SAT

CARAVEL

True name

23 March 1964

Subject's Apartment

PURPOSE OF MEETING: Routine

1. [] spent 2 1/2 hrs by prearrangement in Subject's apartment. The next meeting, at which CASTIRUP reports will be passed, will be at 1730 hrs on 7 April.

2. Subject supplied a copy of the new table of organization of the Ministry of Interior (status as of 5 Jan 64) and a long report on the political and economic situation of Algeria prepared for the Ministry of Foreign Affairs, Economics and Entwicklungshilfe by RECKENBERG who is assumed to be a CATIDE representative in Algeria. A copy of the latter report will be sent to the Algiers Station. Subject did not provide the budgetary and T/O data we had expected on CAMEN and CASTIRUP because the whole budget had been returned for revision. We will get it when the budget is resubmitted to parliament in an acceptable form. The revision of the budget stems from a Bundestag ruling that personnel increases planned for the coming fiscal year be submitted separately from the regular budget requirements. Since the cost of the planned personnel increases appear or are spread around under many budget headings the separating out of these figures involves a total re-writing of the budget.

3. Subject's main preoccupation in the past weeks has been with the upcoming legal action against wide spread corruption and cost padding in the German army supply office. All army contracts are being gone over and because of the lack of personnel qualified to investigate and analyze these contracts, CAMEN has just conducted a training course for selected officials of the CAMEN offices at the Land level. The trainees were instructed by members of the Ministry of Defense Anti-Corruption Unit headed by Regierungsdirektor SCHNELL (the unit has a staff of 15), and experts from the Ministry of Finance. The first firm involved publicly will be the HENSCHEL Co. and the story will hit the press in early April. 30 million DM are involved. Subject cited a number of examples of the type of cost padding involved, but since they are pretty standard they need not be made a matter of record. In one aspect of the investigation it has become apparent that procurement personnel of the French Air Force Ministry have received cuts totalling about 8 million DM which Subject believes are stashed away in Swiss banks.

4. Considerable time was spent in discussing Subject's ~~current~~ preoccupation with the effects of the efforts to rid the security offices of persons involved in atrocities. He emphasized the fact that though he and other responsible personnel officers have been able to transfer persons with acknowledged membership in Nazi organizations to less sensitive jobs there is no protection against the real serious cases where the individuals involved have hidden their involvement with executive arms of security agencies during the war and whose names have not appeared in the Berlin Document Center or similar records. For instance, the SG security chief, PETERS, who hung himself, was not carried on any known NS Party or SS lists. Subject

SECRET

shudders to think how many more employees of security agencies were involved in the "Osteinsatz". It is Subject's opinion that the Bundestag will do nothing to proclaim a statute of limitations or set up other ground rules which would help cut down the present wave of investigations because many of them have guilty consciences in the role of the NS period and as long as the investigations are centered on members of the executive groups their guilt will not come up for discussion. As Subject expressed it, it is a case where the executioners are being punished and the judges who passed the sentences are going free.

5. After ☐ ☐ prepares a Project Renewal Request he will turn the CARAVEL case over to ☐ ☐ presumably in mid-April 1964.

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